

STATE OF INDIANA) IN THE MARION CIRCUIT COURT
) SS:
COUNTY OF MARION) CAUSE NO. _____

490 120701 PLE 03606

STATE OF INDIANA,)
)
Plaintiff,)
)
v.)
)
BRIAN HANRAHAN, individually and)
doing business as Quick Fit for Women;)
CLUB FIT DEVELOPMENT, LLC;)
and CLUB MARKETING SYSTEMS,)
INC.,)
)
Defendants.)

FILED

(115)

JAN 26 2007

Elizabeth J. White
CLERK OF THE MARION CIRCUIT COURT

**COMPLAINT FOR INJUNCTION,
RESTITUTION, COSTS, AND CIVIL PENALTIES**

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Lisa Ward, petitions the Court, pursuant to the Indiana Deceptive Consumer Sales Act, Indiana Code § 24-5-0.5-1, et seq., for injunctive relief, consumer restitution, investigative costs, civil penalties, and other relief.

PARTIES

1. The Plaintiff, State of Indiana is authorized to bring this action and to seek injunctive and other statutory relief pursuant to Ind. Code § 24-5-0.5-4(c).

2. Defendant, Brian Hanrahan ("Hanrahan"), is an Indiana resident who at all relevant times owned and actively managed and operated the unincorporated entity Quick Fit for Women and the duly registered Indiana entities Club Fit Development, LLC, and Club Marketing Systems, Inc. As owner, Hanrahan controlled and directed the affairs of

the defendant businesses, including their sales and billing practices, and used the defendant entities for the purpose of deceiving Indiana consumers as set forth herein.

4. When, in this Complaint, reference is made to any act of Defendants, such allegations shall be deemed to mean that the principals, agents, representatives, or employees of Defendants did or authorized such acts to be done while actively engaged in the management, direction, or control of the affairs of Defendants and while acting within the scope of their duties, employment, or agency.

FACTS

5. At least since April 2004, Defendant Hanrahan regularly provided health spa services to Indiana consumers under the assumed business name Quick Fit For Women at 11700 Allisonville Road, Fishers, Indiana and 1232 West 86th Street, Indianapolis, Indiana.

6. On or about February 25, 2005, Hanrahan closed the Fishers facility without prior notice to its members.

7. On or about September 1, 2005, Hanrahan closed the Indianapolis location and transferred the customers' memberships to the Curves health spa located at 1484 East 86th Street, Indianapolis, Indiana. However, Hanrahan retained the right to charge and collect membership fees through December 1, 2005.

8. Hanrahan continued to charge members' accounts even after they had notified him of their intent to cancel and, in some cases, long after their contract terms had expired. Furthermore, Hanrahan later re-posted charges to some members' accounts even after initially issuing credit to them for disputed charges.

A. Allegations Regarding Rosemarie DaPuzzo

9. On or about April 30, 2004, Rosemarie DaPuzzo entered into a one (1) year membership contract at Defendant's Indianapolis health spa. The membership term commenced on June 1, 2004 and cost Thirty Four Dollars and Ninety Eight Cents (\$34.98) per month, to be charged to Ms. DaPuzzo's credit card.

10. In June 2005, Ms. DaPuzzo became unable to exercise due to illness and notified Defendant of her situation and her wish to not renew her contract. Defendant represented to Ms. DaPuzzo that her contract would terminate and that the monthly charges would cease.

11. Defendant continued to charge the monthly membership dues to Ms. DaPuzzo's credit card even after being notified of her intent to discontinue her membership.

12. In a letter dated February 15, 2006, Hanrahan stated to the Plaintiff that he had issued a refund to Ms. DaPuzzo in the amount of Three Hundred Fourteen Dollars and Eighty Two Cents (\$314.82). A copy of that letter is attached hereto and incorporated by reference as Exhibit "A."

13. To date, Ms. DaPuzzo has received no refund or credit from Defendant.

B. Allegations Regarding Anna Marie Brown-Mitchell

14. On or about May 11, 2004, Anna Marie Brown-Mitchell entered into a one (1) year membership contract at Defendant's Indianapolis health spa and authorized monthly withdrawals from her checking account in the amount of Twenty Four Dollars and Ninety Eight Cents (\$24.98).

15. In June 2005, Ms. Brown-Mitchell notified Defendant, by telephone and in person, of her intent to cancel her membership.

16. After closing the Indianapolis facility on or about September 1, 2005, Defendant continued to charge the monthly membership dues to Ms. Brown-Mitchell's account. After attempting repeatedly to cancel her membership, Ms. Brown-Mitchell eventually closed her checking account in order to stop Defendant's unauthorized withdrawals.

17. Defendant's unauthorized withdrawals from Ms. Brown-Mitchell's checking account took place on August 1, September 2, September 28, October 3, November 1 and December 1, 2005, and totaled One Hundred Forty Nine Dollars and Eighty Eight Cents (\$149.88).

18. To date, Ms. Brown-Mitchell has received no refund from Defendant.

C. Allegations Regarding Kathleen Johnson

19. On or about May 17, 2004, Kathleen Johnson entered into a one (1) year membership contract at Defendant's Indianapolis health spa and authorized monthly withdrawals from her checking account in the amount of Thirty Four Dollars and Ninety Eight Cents (\$34.98).

20. In November 2004, Ms. Johnson moved out of the area, submitted a written cancellation notice, and was told by Defendant, through Defendant's employee, that she met the requirements for cancellation of her contract. Nevertheless, payments continued to be withdrawn from Ms. Johnson's checking account through October 2005, totaling One Hundred Seventy Four Dollars and Ninety Cents (\$174.90).

21. In his letter of February 15, 2006 (see Exhibit A), Defendant stated that Ms. Johnson's account was, "cancelled, payments disputed, now cancelled."

22. To date, Ms. Johnson has received no refund from Defendant.

D. Allegations Regarding Susan Sitzer

23. On or about September 30, 2004, Susan Sitzer entered into a one (1) year membership contract at Defendant's Fishers health spa and authorized monthly payments of Thirty Four Dollars and Ninety Eight Cents (\$34.98) to be charged to her credit card.

24. Between February 15 and February 23, 2005, Ms. Sitzer arrived at the facility several times to find it either closed or unattended. After the February 23, 2005 incident, Ms. Sitzer called Defendant's billing company and was told that her membership would be cancelled. A letter confirming this is attached hereto and incorporated by reference as Exhibit "B." She likewise cancelled the automatic payments.

25. On October 25, 2005, Ms. Sitzer discovered that she was being charged by another of Defendant Hanrahan's entities, Club Fit Development. These charges, totaling One Hundred Seventy Four Dollars and Ninety Cents (\$174.90), appeared long after Ms. Sitzer believed her membership to have been cancelled and after Defendant had closed the facility. Defendant continued to charge her account through February 2006.

26. Ms. Sitzer disputed the above charges through her credit card company and eventually had them reversed.

27. Another charge from Defendant, in the amount of Thirty Four Dollars and Ninety Eight Cents (\$34.98), appeared on Ms. Sitzer's account in May 2006 under the name Club Marketing Systems.

28. To date, Ms. Sitzer has received no refund for the May 2006 charge.

E. Allegations Regarding Judith Lanier

29. On or about November 20, 2004, Judith Lanier entered into a three (3) year membership contract at Defendant's Indianapolis health spa and authorized monthly payments of Thirty four Dollars and Ninety Eight Cents (\$34.98) to be withdrawn from her checking account.

30. Ms. Lanier cancelled her membership on March 31, 2005. Defendant agreed to the cancellation after a change in the facility's hours of operation caused a conflict with Ms. Lanier's work schedule, making it impossible for her to attend and use the facility.

31. Defendant, through Defendant's employee, Marsha McHugh, assured Ms. Lanier that charges to her account would cease. When charges continued to appear in June 2005, Ms. Lanier visited Defendant's facility and was promised a refund check in the amount of One Hundred Four Dollars and Ninety Four Cents (\$104.94).

32. In August 2005, after charges continued to appear on her account, Ms. Lanier again visited Defendant's facility. Ms. McHugh telephoned Defendant Hanrahan in Ms. Lanier's presence and stated that she would receive a refund in the amount of One Hundred Seventy Four Dollars and Ninety Cents (\$174.90).

33. Charges continued to appear on Ms. Lanier's account until January 3, 2006. Charges posted on November 30, 2005 and January 3, 2006 were reversed by her bank.

34. In a letter dated May 9, 2006 (attached hereto and incorporated by reference as Exhibit "C"), Defendant stated to Plaintiff that he would "refund any charges

that took place after the membership transfer which took place as of 9-1-05." Defendant further stated that, after researching whether the charges at issue had been disputed or returned, "all cleared charges" would be refunded to Ms. Lanier.

35. To date, Ms. Lanier has received no refund from Defendant.

F. Allegations Regarding Janet Smith

36. On or about December 8, 2004, Janet Smith entered into a three (3) year membership contract at Defendant's Fishers location. Monthly payments of Thirty Four Dollars and Ninety Eight Cents (\$34.98) were authorized to be charged to Ms. Smith's credit card account.

37. Ms. Smith cancelled her membership, but began to see charges appear on her account around March or April 2005. Ms. Smith called the billing company to explain that she had cancelled her membership and had never used Defendant's facilities. Ms. Smith then discovered that the Fishers facility had been closed since approximately February 25, 2005.

38. Ms. Smith then made more telephone calls to the billing company, and again was led to believe that her contract had been cancelled. However, charges from Defendant began posting to her account again in July 2005, this time under the name Club Fit Development. The charges continued to be posted monthly to Ms. Smith's account until January 2006. Additional charges appeared on Ms. Smith's account much later, in May and June 2006.

39. In his letter of February 15, 2006 (see Exhibit A), Defendant advised Plaintiff that he had issued a credit to Ms. Smith's account in the amount of One Hundred Four Dollars and Ninety Four Cents (\$104.94). This was correct; however, Defendant

charged that same amount back to Ms. Smith's account the very next month, in March 2006.

40. Ms. Smith's bank reversed the charges for the months of August and September 2005 and for January 2006.

41. To date, Ms. Smith has received no refund for the other amounts wrongfully charged to her account by Defendant.

G. Allegations Regarding Christy Leavitt

42. On or about December 16, 2004, Christy Leavitt entered into a two (2) year membership contract at Defendant's Fishers location after receiving a flyer in the mail offering a sixteen (16) week weight loss program for Eight Dollars and Seventy Five Cents (\$8.75) per week. A copy of the flyer is attached and incorporated by reference as Exhibit "D."

43. As represented by the terms of her contract, Ms. Leavitt had the option to cancel the remainder of her membership term at the end of the sixteen (16) week trial program, provided that she attend Defendant's facility three (3) times per week during that period. Ms. Leavitt honored that requirement from the time she joined Quick Fit for Women until its closure in February 2005, near the end of her trial period.

44. Upon signing the contract, Ms. Leavitt's credit card was charged a total of Seventy Four Dollars and Ninety Eight Cents (\$74.98). When Ms. Leavitt questioned the amount, Defendant's employee told her that it included a one-time Forty Dollar (\$40.00) enrollment fee which would be refunded upon completion of the program and that the remainder of the charge was the total amount for the month of January 2005.

45. Ms. Leavitt used Defendant's facility three (3) times per week, as required under the program, until February 25, 2005 when she arrived to find the facility closed. There was no notice posted as to why the facility closed or where Ms. Leavitt might have been able to continue her program.

46. A couple of days later, Ms. Leavitt received a letter from Defendant announcing the closure of the health spa and stating that "membership has been cancelled and billing ceased." A copy of this letter is attached hereto and incorporated by reference as Exhibit "E."

47. Five (5) days after receiving Defendant's letter, Ms. Leavitt was charged Thirty Four Dollars and Ninety Eight Cents (\$34.98) for March 2005 membership dues. Ms. Leavitt repeatedly tried to have the charge reversed, but to no avail.

48. On or about May 13, 2005, Ms. Leavitt received a payment book demanding One Hundred Nineteen Dollars and Ninety Four Cents (\$119.94) purportedly due on April 2, 2005, followed by another bill on or about May 31, 2005, demanding payment of Ninety Seven Dollars and Ninety Six Cents (\$97.96).

49. In his letter of August 31, 2006, a copy of which is attached hereto and incorporated by reference as Exhibit "F," Defendant stated that Ms. Leavitt would receive a refund of Thirty Four Dollars and Ninety Eight Cents (\$34.98) by September 18, 2006.

50. To date, Ms. Leavitt has received no refund from Defendant.

H. Allegations Regarding Deborah Newcomb

51. On or about December 20, 2004, Deborah Newcomb entered into a three (3) year membership contract at Defendant's Indianapolis location and authorized

monthly payments of Thirty Four Dollars and Ninety Eight Cents (\$34.98) to be deducted from her checking account.

52. Ms. Newcomb attempted to cancel the contract on January 13, 2005 after learning that her employer had placed its employees into another fitness program. Defendant refused to cancel the contract.

53. Defendant continued deducting payments from Ms. Newcomb's checking account until January 2006, even though Defendant ceased doing business on September 1, 2005 and supposedly was to cease billing as of November 30, 2005.

54. To date, Ms. Newcomb has received no refund from Defendant.

I. Allegations Regarding Romance Ross

55. On or about March 8, 2005, Romance Ross entered into a one (1) year membership contract at Defendant's Indianapolis location. Ms. Ross was told by Defendant, through Defendant's employee, that she had Twenty Four (24) hours to cancel the contract if she changed her mind.

56. The very next day, Ms. Ross asked that her contract be cancelled. She did not use the facility as she believed that her wish to cancel the contract had been honored by Defendant.

57. On April 4, 2005, a charge posted by Defendant in the amount of Twenty Nine Dollars (\$29.00) appeared on Ms. Ross's bank statement. Ms. Ross then informed Defendant that she was going to use the facility for one (1) month since she had been charged for it and Defendant would not grant her a refund.

58. Payments continued to be drafted from Ms. Ross's account by Defendant each month. When she questioned this, Defendant's employee asked Ms. Ross if she

could use the facility for three (3) months. Ms. Ross agreed and witnessed the employee write "cancel" in her file.

59. At the end of the agreed upon three (3) month period, Ms. Ross submitted a letter to Defendant stating that August would be her last month. Defendant continued drafting payments from Ms. Ross's checking account until January 3, 2005, more than four (4) months after Defendant had closed the facility and more than one (1) month after he had released his right to collect payments on behalf of the facility. Ms. Ross successfully disputed two (2) of the charges and had them reversed by her bank.

60. To date, Ms. Ross has received no refund from Defendant.

J. Allegations Regarding Virginia Clevenger

61. In April 2005, Virginia Clevenger signed a contract for a "special" sixteen (16) week trial exercise program at Defendant's Indianapolis health spa. A copy of the advertisement for this program is attached hereto and incorporated by reference as Exhibit "G."

62. As represented by the terms of her contract, Ms. Clevenger had the option to cancel the remainder of her membership term at the conclusion of the sixteen (16) week trial period, provided that she attend Defendant's facility three (3) times per week during that period, which she did.

63. On August 3, 2005, at the conclusion of the program, Ms. Clevenger submitted a written cancellation notice to Defendant, a copy of which is attached hereto and incorporated by reference as Exhibit "H."

64. Defendant continued to charge Thirty Nine Dollars (\$39.00) per month to Ms. Clevenger's charge account. These charges appeared on August 16, September 16

and 26, October 17, and December 15, 2005 and January 4, 2006. They ceased only after Ms. Clevenger had her credit card company change her account number.

65. In his letter of February 15, 2006 (see Exhibit A), Defendant claimed that four (4) of the six (6) payments at issue were returned and that Ms. Clevenger still owed Defendant for the remaining two (2) payments, despite her having cancelled the contract at the end of the trial period.

66. To date, Ms. Clevenger has received no refund from Defendant.

K. Allegations Regarding Diane Farrell

67. In May 2005, Diane Farrell's one (1) year membership contract with Defendant expired. She delivered a letter expressing her wishes to cancel and not renew the contract on July 7, 2005, a copy of which is attached hereto and incorporated by reference as Exhibit "I."

68. Ms. Farrell continued to be charged by ASF for two (2) additional months, but successfully disputed those charges.

69. On January 3, 2006, Ms. Farrell noticed a charge to her account from Defendant in the amount of Thirty Four Dollars and Ninety Eight Cents (\$34.98). She later discovered that other charges for that amount had also been charged to her account on September 27, November 1, and November 29, 2005.

70. To date, Ms. Farrell has received no refund from Defendant.

L. Allegations Regarding Molly Carlson

71. In April 2005, Molly Carlson notified Defendant of her intent not to renew her membership contract at Defendant's Indianapolis location when it expired in June 2005.

72. Charges from Defendant in the amount of Thirty Four Dollars and Ninety Eight Cents (\$34.98) continued to appear on Ms. Carlson's account each month until November 1, 2005 (including double charges in September 2005), long after the original contract term had expired.

73. To date, Ms. Carlson has received no refund from Defendant for the charges wrongfully charged to her account.

COUNT I - VIOLATIONS OF THE HEALTH SPA SERVICES ACT

74. Plaintiff realleges and incorporates by reference the allegations contained in paragraphs 1 through 73 above.

75. Defendants operated as "health spas" and provided "health spa services" as defined by Ind. Code § 24-5-7-1.

76. The Defendants are "sellers" as defined in Ind. Code § 24-5-7-1.

77. By representing to Romance Ross that she had Twenty Four (24) hours to cancel her membership contract if she changed her mind, Defendant violated Ind. Code § 24-5-7-5(b), which provides that a consumer who enters a contract for health spa services has three (3) days after signing the contract in which to cancel it.

COUNT II - VIOLATIONS OF THE DECEPTIVE CONSUMER SALES ACT

78. Plaintiff realleges and incorporates by reference the allegations contained in paragraphs 1 through 77 above.

79. The transactions identified in paragraphs 9, 14, 19, 23, 28, 35, 41, 48, 52, 58, 63, and 68 are "consumer transactions" as defined by Ind. Code §24-5-0.5-2(1).

80. The Defendants are "suppliers" as defined in Ind. Code §24-5-0.5-2(3).

81. By representing to consumers Leavitt and Clevenger that they would be able to cancel their memberships at the end of their sixteen (16) week trial program periods, Defendant represented that the transactions had characteristics or benefits that they did not have and that he knew or should reasonably have known they did not have, in violation of Ind. Code § 24-5-0.5-3(a)(1).

82. By stating in contracts with consumers that, **"IN THE EVENT THE CLUB CLOSES AND CEASES DOING BUSINESS, YOU THE BUYER ARE NO LONGER OBLIGATED TO MAKE PAYMENTS UNDER THIS AGREEMENT,"** Defendant represented to consumers that the transactions involved certain rights or remedies when the representation was false and Defendant knew or should reasonably have known that it was false, in violation of Ind. Code § 24-5-0.5-3(a)(8).

83. When entering into contracts with consumers, Defendant represented that he would be able to complete the subject of the transaction within a stated period of time when he knew or should reasonably have known that he would not. When no time period is stated, it is presumed that the subject of the transaction will be completed within a reasonable time, according to the course of dealing or usage of the trade. By charging consumers' accounts long after they reasonably expected the transactions to have been completed, Defendant failed to complete the subject of the transaction within a stated or reasonable time, in violation of Ind. Code § 24-5-0.5-3(a)(10).

84. Defendant's representations to his companies' billing agent(s) and to consumers' banks and/or credit card issuers that certain amounts were owed by the consumers on their membership agreements, as set forth in paragraphs 11, 16, 20, 25, 27, 31-33, 37-39, 47, 48, 53, 59, 64, 68, 69, and 72 above, when Defendants knew or should

reasonably have known that they were not, misrepresented the benefits and characteristics of the transactions, in violation of Ind. Code § 24-5-0.5-3(a)(1), and misrepresented the consumers' rights, remedies, and obligations, in violation of Ind. Code § 24-5-0.5-3(a)(8).

**COUNT III- KNOWING AND INTENTIONAL VIOLATIONS OF
THE DECEPTIVE CONSUMER SALES ACT**

85. The Plaintiff realleges and incorporates by reference the allegations contained in paragraphs 1 through 83 above.

86. The misrepresentations and deceptive acts set forth above were committed by the Defendants with knowledge and intent to deceive.

RELIEF

WHEREFORE, Plaintiff, State of Indiana, requests that the Court enter judgment against the Defendants, Brian Hanrahan, individually and doing business as Quick Fit for Women; Club Fit Development. LLC; and Club Marketing Systems, Inc., enjoining the Defendant, his agents, representatives, employees, successors, and assigns from the following:

- a. Representing, expressly or by implication, that the subject of a consumer transaction has characteristics or benefits it does not have, which the Defendant knows or reasonably should know it does not have;
- b. Representing, expressly or by implication, that the transaction involves or does not involve a warranty, disclaimer of warranties, or other rights, remedies, or obligations, if the representation is false and if Defendant knows or should reasonably know that it is false; and

- c. Representing, expressly or by implication, that the Defendant is able to deliver or complete the subject of a consumer transaction within a reasonable period of time, when the Defendant knows or should reasonably know he can not.

AND WHEREFORE, the Plaintiff, State of Indiana, further requests the Court enter judgment against the Defendants for the following relief:

- a. Consumer restitution pursuant to Ind. Code § 24-5-0.5-4(c)(2), in the form of reimbursement of funds wrongfully charged to or collected from consumers for health spa memberships and services, as follows:
- i. to Rosemarie DaPuzzo in the amount of Three hundred Fourteen Dollars and Eighty Two Cents (\$314.82);
 - ii. to Anna Marie Brown-Mitchell in the amount of One Hundred Forty Nine Dollars and Eighty Eight Cents (\$149.88);
 - iii. to Kathleen Johnson in the amount of One Hundred Seventy Four Dollars and Ninety Cents (\$174.90);
 - iv. to Susan Sitzler in the amount of Thirty Four Dollars and Ninety Eight Cents (\$34.98);
 - v. to Judith Lanier in the amount of One Hundred Four Dollars and Eighty Five Cents (\$104.85);
 - vi. to Janet Smith in the amount of Three Hundred Fourteen Dollars and Eighty Two Cents (\$314.82);
 - vii. to Christy Leavitt in the amount of Seventy Four Dollars

and Ninety Eight Cents (\$74.98);

viii. to Deborah Newcomb in the amount of Two Hundred Nine Dollars and Eighty Eight Cents (\$209.88);

ix. to Romance Ross in the amount of Fifty Eight Dollars (\$58.00);

x. to Virginia Clevenger in the amount of seventy Eight Dollars (\$78.00);

xi. to Diane Farrell in the amount of Sixty Nine Dollars and Ninety Cents (\$69.90); and

xii. to Molly Carlson in the amount of Two Hundred Nine Dollars and Eighty Eight Cents (\$209.88).

- b. Costs pursuant to Ind. Code § 24-5-0.5-4(c)(3), awarding the Office of the Attorney General its reasonable expenses incurred in the investigation and prosecution of this action;
- c. On Count II of the Plaintiff's Complaint, civil penalties pursuant to Ind. Code § 24-5-0.5-4(g), for the Defendants' knowing violations of the Deceptive Consumer Sales Act, in the amount of Five Thousand Dollars (\$5,000.00) per violation, payable to the State of Indiana;
- d. On Count II of the Plaintiff's Complaint, civil penalties pursuant to Ind. Code § 24-5-0.5-8, for the Defendant's intentional violations of the Deceptive Consumer Sales Act, in the amount of Five Hundred Dollars (\$500.00) per violation, payable to the State of Indiana; and
- e. All other proper relief.

Respectfully submitted,

STEVE CARTER
Indiana Attorney General
Atty. No. 4150-64

By:



Lisa Ward
Atty. No. 26140-49
Deputy Attorney General

Office of the Attorney General
Indiana Government Center South
302 W. Washington, 5th Floor
Indianapolis, IN 46204
Telephone: (317) 234-2354

RECEIVED

MAR 01 2006

Brian Hanrahan
Quick Fit for Women
P.O. Box 352
Carmel, IN 46082

ATTORNEY GENERAL OF INDIANA
CONSUMER PROTECTION

February 15, 2006

Office of the Attorney General
402 W. Washington St.
Indiana Government Center South, 5th Floor
Indianapolis, IN 46204

Re: Quick Fit for Women

To whom it may concern:

The following is a list detailing each of the recent Quick Fit complainants and the action taken:

1. Dorothy Duncan- canceled
2. Janet Smith- credit to credit card in the amount of \$104.94
3. Cathy Emerich- canceled
4. Michelle Mattingly- payments returned uncollected, see accompanying material
5. Mickey Hill- credit to credit card in the amount of \$69.96
6. Carolyn Woods- canceled, payments disputed, now canceled
7. Kathleen Johnson- canceled, payments disputed, now canceled
8. Karen Backlund- credit to credit card in the amount of \$69.96
9. Romance Ross- canceled, need further information
10. Molly Carlson- canceled, need further information
11. Venita Wimbleduff- credit to credit card in the amount of 49.96
12. Rose Marie Dapuzza- credit to credit card in the amount of \$314.82
13. Diane Farrell- payments returned uncollected, see accompanying material
14. Louise Polansky- credit to credit card in the amount of \$139.92
15. Deborah Newcomb- cancellation letter received after the initial 3 business days; payments disputed, now canceled
16. Virginia Clevenger- member owed through 11-30-05; 4 payments returned; still owes for 2; however, now canceled

To confirm, as of January all Quick Fit accounts have been canceled.

Sincerely,


Brian Hanrahan



640 Plaza Drive, Suite 300
Highlands Ranch, Colorado 80129

JACQUE SITZER

2/23/05

Re: ASF International

QUICK FIT FOR WOMEN

This letter is to confirm that the above referenced account has been canceled with no further obligation to pay ASF International at this time.

If we may be of further assistance, please feel free to contact us at the number listed below.

Sincerely,

ASF International
Customer Service Manager
800-525-8967

Called 11-22-05 left msg.
Called 11-23-05 left msg.
Called 12-26-05 left msg.



Brian Hanrahan
Quick Fit for Women
P.O. Box 352
Carmel, IN 46082

RECEIVED

MAY 17 2006

ATTORNEY GENERAL OF INDIANA
CONSUMER PROTECTION

May 9, 2006

Office of the Attorney General
402 W. Washington St.
Indiana Government Center South, 5th Floor
Indianapolis, IN 46204

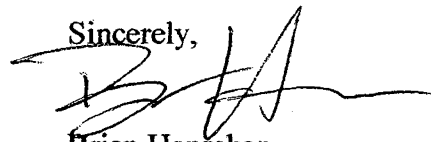
Re: File No. 06-CP-52867 Judith Lanier

To whom it may concern:

After reviewing the information pertaining to this complaint, we believe that the argument for membership cancellation is baseless. However, we will refund any charges that took place after the membership transfer which took place as of 9-1-05.

We will first have to determine if any the 5 charges that took place after 9-1-05 were disputed/returned. After this has been researched, all cleared charges will be refunded to the member.

Sincerely,



Brian Hanrahan

Blumberg No. 5138

STATE'S
EXHIBIT

C

This is what I received in the mail.

DO YOU NEED TO LOSE 15 lbs—100 lbs OR MORE?

25 Women Needed For a Special 16 Week Weight Loss Program

Quick Fit for Women of Northern Indianapolis is conducting a special Weight Loss & Exercise Program designed exclusively for women with 15-100 lbs or more of weight to lose. If accepted, you would participate in a special Coaching Supported Exercise Program, Nutritional Eating Plan and Cardiovascular Conditioning Routine.

Must Read: You will be profiled in a special testimonial portfolio in exchange for the program fee. If accepted into this program, you will not be required to pay the \$349.00 program fee. You are only asked to cover the weekly maintenance dues of \$9.75 per week. Because of the overwhelming response we are only accepting the first 25 ladies to call in and reserve a program spot.

\$40/MOOTH

WED. APR 6 4:00PM

Respond Immediately: To Qualify for this Special Weight Loss program call today. You will receive complete step by step Instructions and guidance. Weight Loss Workbook, Grocery list, and Coaching Support from a qualified trainer to assist you each step of the way. Your Program will be serviced at the new Quick Fit location at 1232 W. 86th St. Indianapolis, IN 46260 (behind the Boston Market).

MICHIGAN RD - (L)

*LEFT - HAND SIDE OF ROAD (#2098) MARSHIA
(BEFORE DITCH RD)*

Call Today 317-809-9396

Meridian Rd - L ON 86th - ON RIGHT

COPY

Quick Fit for Women
11803 N. Allisonville Rd.
Fishers, IN 46038

Letter H

DO YOU NEED TO LOSE 15 lbs TO 100 lbs?

PRST STD
U.S. Postage
Paid
Southeast
Marketing
Solutions



Get
Started In Time
For January 1st.
Call Today!



25 Women Needed for a Special 16 Week
Weight Loss Program!

DO YOU NEED TO LOSE 15 lbs—100 lbs OR MORE?

25 Women Needed For a Special 16 Week Weight Loss Program

Quick Fit for Women of Fishers is conducting a special Weight Loss & Exercise Program designed exclusively for women with 15-100 lbs or more of weight to lose. If accepted, you would participate in a special Coaching Supported Exercise Program, Nutritional Eating Plan and Cardiovascular Conditioning Routine.

Must Read: You will be profiled in a special testimonial portfolio in exchange for the program fee. If accepted into this program, you will not be required to pay the \$349.00 program fee. You are only asked to cover the weekly maintenance dues of \$8.75 per week. Because of the overwhelming response we are only accepting the first 25 ladies to call in and reserve a program spot.

Respond Immediately: To Qualify for this Special Weight Loss program call today. You will receive complete step by step Instructions and guidance. Weight Loss Workbook., Grocery list, and Coaching Support from a qualified trainer to assist you each step of the way. Your Program will be serviced at the new Quick Fit location at 11803 N. Allisonville Rd. Fishers (just north of 116th St.).

CALL TODAY (317) 915-9500

Letter 10

Quick Fit for Women
11803 N. Allisonville Rd.
Fishers, IN 46038

February, 24 2005

Dear Member:

We're sorry to inform you that Quick Fit for Women of Fishers will be closing as of 2-25-05. We apologize for the inconvenience this causes, and we hope that you are able to resume your exercise program as quickly as possible.

The decision to close is based around a variety of factors. The Fishers area has 5 like facilities (including Quick Fit) which has created a highly competitive market. In addition, and possibly because of this, the response since opening has been less than anticipated. As a result, less than adequate resources have been available to advance the facility and services offered. We believe that continuing operations, without providing a quality center, is no longer in any ones best interest.

Your membership has been canceled and the billing ceased. However, a transfer is being arranged for those who elect to do so. Again we apologize for the disruption in your exercise routine.

Quick Fit for Women



Brian Hanrahan
Quick Fit for Women
P.O. Box 352
Carmel, IN 46082

RECEIVED

SEP 05 2006

ATTORNEY GENERAL OF INDIANA
CONSUMER PROTECTION

August 31, 2006

Office of the Attorney General
402 W. Washington St.
Indiana Government Center South, 5th Floor
Indianapolis, IN 46204

To whom it may concern:

Re: File No. 05-CP-62214 Janet Smith

The credit card processing company reversed the credit without being directed to do as such. This was done due to corporate dissolution and the lack of funds in a reserve account to deal with any protested charges. Janet Smith will receive a refund of \$104.94 by 9-10-06.

Re: File No. 06-CP-55755 J. Susan Sitzler

As indicated in previous complaint responses, all Quick Fit members were transferred to Curves for Women. This transfer took place within the guidelines of State Law. Quick Fit was to collect dues through Dec. 1, 2005. The charges pertaining to J. Susan Sitzler were for this purpose. The charge after that date was to bring the account to a paid in full status after payments were rejected.

Re: File No. 06-CP-56194 Anna Marie Brown

Similar to the previous complaint. All charges to Anna Marie Brown were within the guidelines pertaining to a membership transfer.

Re: File No. 06-CP-56193 Christy Leavitt

With respect to her request for reimbursement, we can only go by the membership agreement that was signed. She will be sent a refund of \$34.98 by 9-18-06.

Sincerely,


Brian Hanrahan



August 3, 2005

COPY

I have reached the completion of my 16-week weight loss program and will be discontinuing my contract with Quick Fit effective Saturday, August 6, 2005.

This has been a great program and experience! I have finally been able to lose several pounds and I am anxious to continue to do so.

I will be returning to my regular fitness center, where I am able to work out with both of my daughters. If, for some reason, I find that I am not able to maintain my weight loss program, I would appreciate the opportunity to return to Quick Fit to do so.

Sincere thanks for your support throughout these past four months! You guys are great!

Sincerely,

Ginnie Clevenger

Ginnie (Virginia) S. Clevenger

I personally handed this letter to Stephanie at the Club Fit. She told me that they would cancel my VISA debits.



July 7, 2005

Quick Fit for Women
86th Street
Indianapolis, IN 46260

To whom it may concern:

Effective as of May 30, 2005, please cancel my membership in your organization. Since mid May, I have left numerous messages on your answering machine asking to have my membership cancelled and to please call me back to let me know that you had gotten my messages. As of yet I have never heard from you and I see you are have still continued to take payments out of my account for the last two month. I expect to be reimbursed for those two withdrawals of \$34.95 after you had been notified. If I do not hear from you within the next couple of days, my next course of action will be to report you to the Better Business Bureau and to contact Call 6 for Help.

Diane Farrell
Diane Farrell

